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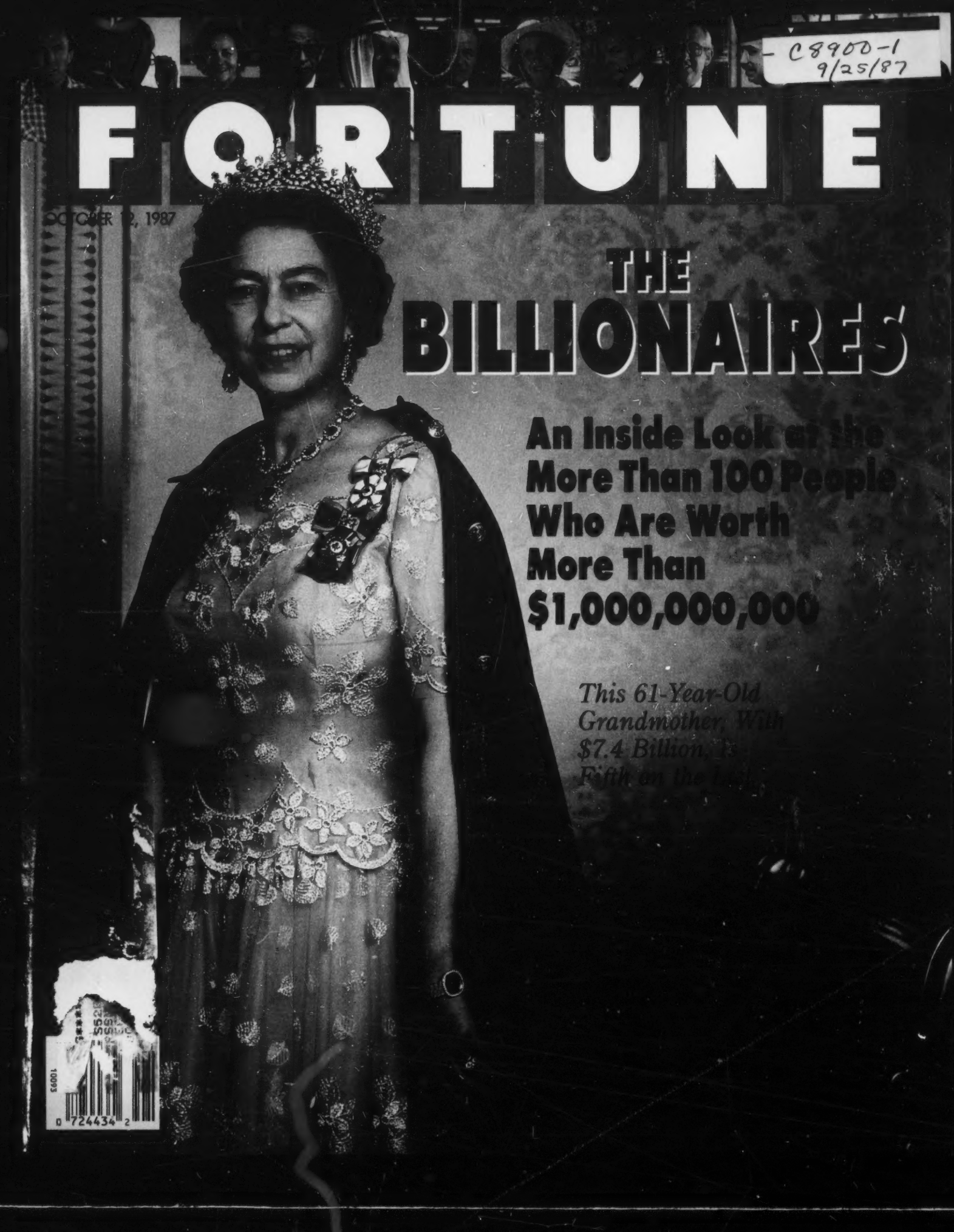

THE BILLIONAIRES

An Inside Look at the More Than 100 People Who Are Worth More Than $1,000,000,000

This 61-Year-Old Grandmother, With $7.4 Billion, Is Fifth on the List

FORTUNE

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She says she adores "ruby strawberries floating in champagne bubbles."

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"It's stupid," he says of the sudden run-up in his net worth.

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"I'm just an old farmer who's been a little lucky."

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He fears rich heirs will lack "the lash of ambition on their back" and become "well-fed house dogs."

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"It was like riding a tiger. You can't get off. You must go forward or get eaten."

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"I don't like to stand still. I don't care if the forecast is bad. I want to leave port."

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"You won't find it. Only Ferdinand and I know where the hidden wealth is deposited."

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NINA BARNETT (2)

FORTUNE *hunters: (front) editor Ehrbar flanked by Elizabeth Krist and Lorraine Carson; (rear) Jean Held, Eric Godwin, Karen Zakrison*

WHY SHOULD FORTUNE publish the most comprehensive examination of the world's billionaires? Mountaineer George Leigh Mallory, of Mount Everest fame, might have said "because they are there." In fact, many more of them are there than anyone might expect—well over 100, vs. only one (oilman J. Paul Getty) 30 years ago. And F. Scott Fitzgerald might have said, "because the very, *very* rich are *not* so different from you and me." Though the billionaires run from royalty to rogues, many of them worry about spoiling the kids, simultaneously splurge and pinch pennies in the most oddly human ways, indulge everyday vanities and embrace grand ideals, and wonder and worry about keeping their good times rolling into the future. Horatio Alger would have been happy to learn that many made their megawealth on their own spunk and creativity. Says senior editor Aloysius Ehrbar, who supervised our 51-page special report: "By and large the billionaires are success stories, not inheritance stories."

The project started 11 months ago. Evelyn Benjamin, deputy chief of reporters, observed that of the 12 lists that FORTUNE produces, including the famous 500s, the one that draws the most press attention is the 50 largest industrial companies in the world. Reasoned Benjamin: "People must be interested in what other people the world over are worth." She assigned senior reporter Lorraine Carson to start researching a possible 13th list, one that would rank the world's richest people. Carson, who combines the talents of Sherlock Holmes and an investment banker, sorted through annual reports, government documents, press clippings, and books. She queried consultants, businessmen, and our correspondents around the world. Sifting the data and making judgment calls required many post-midnight workdays for head billionaire hunter Carson and a dozen other reporters.

Financial disclosure requirements differ among countries, secrecy laws can be tough, much wealth is locked in private companies—and the billionaires rarely advertise what they have. Yet many were quite cooperative. Walter Annenberg, the press-shy press lord, talked candidly in his Colorado vacation house with writer Brian Dumaine. Earthy Saudi entrepreneur Suliman Olayan recalled to writer Anthony Ramirez his humble days as a warehouseman. When billionaires refused to be interviewed, we had ways of finding out about them. The Sultan of Brunei, for one, declined to cooperate, but our Asian editor, Louis Kraar, had interviewed him several times before. Drawing on the Sultan's associates, international businessmen, and his own notebooks, Kraar pieced together a fascinating portrait of the potentate, including the fact that he keeps two guest thrones for visiting royalty. Louis Richman flew to Europe and to California to profile the Dutch, the Germans, and the U.S. real estate billionaires. Jeremy Main, who was raised in Argentina, consulted on the Latin American section and wrote the article on Canada's richest. Jaclyn Fierman, who studied in Italy, wrote the profiles on the Italians and the U.S. entrepreneurs as well as the introduction to the whole package. Meanwhile, designer Jean Held produced the listings and other graphics.

KRISTINE LARSEN

Ramirez (left) interviews Suliman Olayan.

Some billionaires regard photographers with as much affection as they do tax collectors. To surmount this camera shyness, picture editor Michele McNally and her associates Elizabeth Krist, Eric Godwin, and Karen Zakrison spent a month canvassing more than 200 photo agencies, 50 newspapers, and 100 freelance photographers around the world. The yield: several thousand pictures, of which we run 120. They give you yet another view of many people who, as editor Ehrbar says, "are making *new* wealth through energy and ingenuity."

Examining the very wealthy: Louis Richman, Jaclyn Fierman, Brian Dumaine, Jeremy Main

MANAGING EDITOR

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BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
SULTAN HASSANAL BOLKIAH 41 Page 132	Bandar Seri Begawan BRUNEI	**$25.0**	**Oil; gas; $20 billion in foreign investments.** The absolute ruler of a Delaware-size country on the island of Borneo, the Sultan exploits his nation's rich hydrocarbons in joint ventures with Royal Dutch/Shell and Mitsubishi. Two wives, three sons, six daughters, and a 1,788-room palace.
KING FAHD 67 Page 167	Riyadh SAUDI ARABIA	**$20.0**	**Saudi Arabia's oil-rich national treasury.** Fahd was a legendary jet-setting playboy in his youth. Sleeps in the afternoon and works at night. Evidences a mastery of economics. Two wives, 11 children.
SAM MOORE WALTON 69 Page 142	Bentonville ARKANSAS	**$8.7**	**39% of Wal-Mart Stores (annual sales: $8.7 billion).** Started in business in 1945 in Newport, Arkansas, and as chairman and CEO keeps close watch on his 1,072 discount stores through a superb communications network and frequent visits. A pilot and avid hunter (quail, pheasant), Walton lives with his wife, Helen, in a modest ranch-style house. Four children.
SAMUEL I. NEWHOUSE JR. 59 **DONALD E. NEWHOUSE** 58 Plus mother, Mitzi, and six children—Page 156	New York NEW YORK	**$7.5**	**100% of Advance Publications and Newhouse Broadcasting.** Sons of founder Sam, the Newhouse brothers own 26 daily newspapers, the ninth-largest cable TV operator in the U.S., and the Condé Nast and Random House magazine and book empire. Hard-working managers, firm believers in nepotism. Three of their children are in the business.
QUEEN ELIZABETH II 61 Page 134	London ENGLAND	**$7.4**	**Real estate, including Balmoral Castle in Scotland (50,000 acres), Sandringham House in Norfolk (20,000 acres); major U.S. properties; racehorses; most valuable stamp collection in world; vast shareholdings.** Gets over $30 million a year from investments abroad—all tax-free—but turns off palace lights to save money. Three sons, one daughter.
KENNETH COLIN IRVING 88 Plus three sons—Page 183	St. John NEW BRUNSWICK	**$6.0**	**300 companies: oil, shipbuilding, forestry, pulp and paper, newspapers.** K. C. Irving, a second-generation Canadian, started with his father's sawmill and a single gas station. A Bermuda resident to avoid taxes, he still runs the enterprise with his three workaholic sons.
LESTER CROWN 62 Page 160	Chicago ILLINOIS	**$5.7**	**23% of General Dynamics, worth $600 million; real estate and sports teams.** Lester's father, Henry, 91, transformed a sand and gravel business into a controlling interest in General Dynamics. With two sons, Crown manages a portfolio that includes a stake in the New York Yankees.
KENNETH R. THOMSON 64 Page 183	Toronto ONTARIO	**$5.5**	**73% of International Thomson Organisation; Thomson Newspapers; Hudson's Bay (more than 400 department stores, including Hudson's Bay, Simpsons, Fields); real estate.** The second Lord Thomson of Fleet, a Cambridge grad, started as a disk jockey and reporter. Three children.
FORREST E. MARS SR. 83 **FORREST E. MARS JR.** 56 **JOHN F. MARS** 52 Page 152	Las Vegas NEVADA McLean VIRGINIA	**$5.0**	**100% of Mars Inc.** Forrest Mars Sr. quarreled with his father, the founder of Mars Inc. (Milky Way, Snickers), and went to England with $50,000 in 1932. There he built a new candy and pet food company several times larger than his father's. Back in the U.S., he developed precooked rice (Uncle Ben's) and M&Ms. Took over his late father's faltering company in 1964 and restored its vigor, merging his own company with it and insisting on high quality. Able sons Forrest Jr. and John now run Mars Inc.
ALBERT REICHMANN 58 **PAUL REICHMANN** 56 **RALPH REICHMANN** 53 Page 183	Toronto ONTARIO	**$5.0**	**92% of Olympia & York, largest owner of New York City commercial real estate (including $1.5-billion Battery Park City); 37% of Trizec (also real estate); 93% of Abitibi-Price; 80% of Gulf Canada.** Vienna-born sons of a Hungarian egg distributor who fled the Nazis and went to Tangier, later to Canada. Strict Orthodox Jews who found Talmudic studies better than a Harvard MBA. Fourteen children among them.
SHEIKH JABER AL SABAH 61 Page 167	KUWAIT	**$5.0**	**Ruler of an oil-rich land with per capita income of $23,000 a year; vast foreign investments.** Al Sabah's family has ruled Kuwait since 1751, and the oil boom multiplied his wealth. Twenty sons.
QUEEN BEATRIX 49 Page 134	The Hague NETHERLANDS	**$4.4**	**Real estate, including five palaces; jewels; a queen-size portfolio of stocks, including 5% of Royal Dutch/Shell.** Leads quiet life with German-born Prince Claus von Amsberg and their four sons.

☐ UNITED STATES ☐ CANADA AND LATIN AMERICA ☐ EUROPE ☐ MIDDLE EAST AND AFRICA ☐ ASIA

BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
SID RICHARDSON BASS 44 **EDWARD PERRY BASS** 42 **ROBERT MUSE BASS** 39 **LEE MARSHALL BASS** 31 Page 153	Fort Worth TEXAS	**$4.0**	**Oil; real estate; investments in Walt Disney Productions, American Medical International, and more.** Father Perry Bass was the lawyer for his uncle, the legendary wildcatter Sid Richardson, who bequeathed $3 million to each of the four Bass brothers. The brothers, all Yale grads, took the grubstake and exploded it. Sid Bass's recent breakup with wife Anne (two children) and liaison with socialite Mercedes Kellogg keep his name in gossip columns, making it difficult for him to realize his oft-quoted wish: "I just want to disappear." Edward, single, has a hotel in Katmandu and a 300,000-acre ranch in Australia. Robert, married with two children, is also a big real estate investor. Lee, married and childless, works closely with Sid.
GERALD GROSVENOR 35 Page 182	London ENGLAND	**$4.0**	**300 acres in London's upper-class Belgravia and Mayfair districts; an 11,000-acre estate near Chester; 100,000 acres of English forest land; a 12,000-acre industrial park in British Columbia; Grosvenor International Holdings (hotels, shops, and office buildings in Hawaii, office buildings in San Francisco, shopping centers in Chicago).** Life is swell when you're the sixth Duke of Westminster. Family wealth stems from 1677, when Sir Thomas Grosvenor's 12-year-old bride brought a cabbage patch as a dowry. London grew up around the cabbages. Patron of 150 charities, the Duke drives an Aston Martin Lagonda while chain-smoking and brushing a mop of hair from his eyes. He and wife Natalia have two daughters.
EDGAR M. BRONFMAN SR. 58 **CHARLES R. BRONFMAN** 56 Page 152	New York NEW YORK Montreal QUEBEC	**$3.6**	**33% of Seagram Co.** Edgar Bronfman is chairman and CEO of Seagram, the Montreal firm his father bought in the Roaring Twenties. The world's largest distiller, Seagram's main operating subsidiary is Joseph E. Seagram & Sons in New York, housed in the renowned Seagram Building. Brother Charles Bronfman had been deputy chairman of the company and became co-chairman in 1986, after a public spat with Edgar Sr. over the anointing of Edgar Jr. as future head of the business.
GODFRIED BRENNINKMEYER Page 180	Amsterdam NETHERLANDS	**$3.4**	**Major shareholder in C&A, family chain of clothing shops (more than 500 in Europe, Hong Kong, Japan, and U.S.).** C&A started in the last century by two peddlers, Clemens and August Brenninkmeyer. The family's slogan: "Openness is a sign of weakness." Even ages are closely held.
JOHN WERNER KLUGE 73 Page 156	Charlottesville VIRGINIA	**$3.1**	**Billions in cash; real estate.** German-born, Detroit-reared, Kluge started out as a food broker and then went into broadcasting. He built Metromedia into the largest group of independent TV stations in the U.S., selling it to Rupert Murdoch's News Corp. in 1985 for nearly $2 billion. Kluge and second wife Patricia, a former model who posed nude, now breed cattle and horses on a 6,000-acre Virginia estate. Three children.
HENRY LEA HILLMAN 68 Page 160	Pittsburgh PENNSYLVANIA	**$3.0**	**Owns Hillman Co.: real estate, and venture capital bets in Silicon Valley.** In Pittsburgh the old saying was, "Anything the Mellons don't own, the Hillmans do." Hillman's skillful management of the wealth he inherited from his father in 1969 ($300 million) has made him richer than any Mellon heir. He and wife Elsie have two sons, two daughters.
CHARLES KOCH 51 **DAVID KOCH** 47 Page 153	Wichita KANSAS New York NEW YORK	**$3.0**	**Koch Industries: oil, gas, coal, cattle ranches, other real estate, chemicals, agricultural and fiberglass products.** After a bitter three-year fight for control of the family company with David's twin, William, and older brother Frederick, Charles and David won in 1983 and now preside over the quiet giant. Charles lives with wife Elizabeth and two children in a contemporary house in Wichita. David, a bachelor, lives in Manhattan, sits on the boards of a dozen charitable and educational organizations.
DAVID PACKARD 75 Page 148	Los Altos Hills CALIFORNIA	**$3.0**	**17% of Hewlett-Packard; real estate; other investments.** Coloradan Packard started in business in 1939 with Stanford classmate William Hewlett (see below), with $538, making measuring and control devices. A former college football player, he added business savvy to Hewlett's engineering talent. He is a recent widower; three daughters, one son.
WHITNEY MACMILLAN 58 **CARGILL MACMILLAN JR.** 60 Page 160	Minnetonka MINNESOTA	**$2.9**	**60% of Cargill (estimated annual sales: $32 billion).** Grandsons of the founder of the grain and meatpacking colossus, the brothers employ 52,000 workers. Whitney is CEO, Cargill a vice president. A family foundation passes out $2 million annually. Whitney has two children, Cargill four.

BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
FRIEDRICH KARL FLICK 60 Page 176	Munich WEST GERMANY	**$2.8**	**Lots of cash from selling 10% of Daimler-Benz, 97% of Duderus Steel, 28% of W.R. Grace, and other companies; major shareholder in German insurance companies.** Flick was born into a wealthy steelmaking family. His father flourished under Hitler, was convicted of using slave labor in his mills, and served three years in Allied prisons after the war. His eldest brother was killed in World War II and the second eldest was disinherited. Known mainly for barroom brawling and inexpert drum playing in dance bands prior to father's death, Flick surprised everybody by taking charge and showing business acumen. Twice divorced, two daughters.
JOHANNA QUANDT 65 Page 176	Kiel WEST GERMANY	**$2.8**	**70% of Bayerische Motoren Werke (BMW); stocks in some 100 other companies.** The second wife of the late Herbert Quandt, who increased a family fortune by acquiring failing companies and skillfully nursing them to health. Tight-lipped trustees run the extensive investment portfolio for Quandt, her two children, and three stepchildren.
JOHANNES THURN UND TAXIS 61 Page 176	Regensburg WEST GERMANY	**$2.8**	**Thurn und Taxis Bank, one of West Germany's biggest private banks; real estate in West Germany, Brazil, and Canada; 100% of Produco, a supplier of rare metals to industry; a family brewery.** Son of a German duke and a Portuguese princess, Prince Johannes grew up in a 500-room Bavarian castle. Maltreated at home, beaten by Nazi classmates in high school, he became a notorious playboy given to crude pranks like singeing ladies' gowns with cigars. In 1970 he changed lifestyle, hired consultant Booz Allen for advice, divested six castles and other nonproductive assets, and started new businesses in Germany and Brazil. Married a countess ("Princess T 'n' T") 30 years his junior in 1980. Two daughters, one son.
ANNE COX CHAMBERS 67 **BARBARA COX ANTHONY** 64 Page 156	Atlanta GEORGIA Honolulu HAWAII	**$2.5**	**97% of Cox Enterprises, which owns 20 daily newspapers, eight TV stations.** Daughters of three-term Ohio governor James M. Cox, a poor farm boy who went on to become the Democratic presidential nominee in 1920. Chambers, former ambassador to Belgium under President Carter, is a leading Atlanta hostess. Anthony runs the family cattle ranches; her son James Cox Kennedy, 39, is slated to run Cox Enterprises.
LI KA-SHING 59 Page 162	HONG KONG	**$2.5**	**40% of Cheung Kong, which controls Hutchison Whampoa, a Hong Kong trading conglomerate; controlling interest in Husky Oil of Canada and Hongkong Electric; real estate in Hong Kong and Canada.** Started out making plastic flowers in the 1950s. Entered the Hong Kong real estate market and became the first Chinese businessman to take over a British "hong," or trading conglomerate. Lives simply, has two sons.
H. ROSS PEROT 57 Page 148	Dallas TEXAS	**$2.5**	**Cash and securities; gas; oil; real estate.** Son of a horse trader, Perot is an iconoclastic computer magnate, a populist, and an ardent patriot. Has been described as a "pint-size billionaire with a Texas-size mouth." Quit IBM in 1962 to start Electronic Data Systems. Sold it to GM in 1984 for $2.5 billion. Has given away more than $100 million ("about all you can do with it") to a variety of causes. He and his wife Margot have five children.
A. ALFRED TAUBMAN 62 Page 138	Bloomfield Hills MICHIGAN	**$2.5**	**Real estate (20 regional malls, major stakes in Detroit's Riverfront apartments and an office tower on Manhattan's Fifth Avenue); 100% of Woodward & Lothrop and John Wanamaker department store chains; owns A&W restaurant company; 60% of Sotheby's auction house.** Taubman dropped his first name, Adolf, after relatives died in the Holocaust. Began as a builder of K mart and other stores, then modest gas stations. Eventually pioneered the development of mammoth shopping malls fitted out with elaborate fountains and sculpture; each mall boasts up to five department stores. Two of his three children work with him.
YOSHIAKI TSUTSUMI 53 Page 166	Tokyo JAPAN	**$2.5**	**40% of Kokudo Keikaku, which among other things owns 48% of Seibu Railway.** Tsutsumi inherited the business from his father. He and his wife, Yuri, have two sons and a daughter.
FREDERIK H. FENTENER VAN VLISSINGEN 54 Page 180	Hilversum NETHERLANDS	**$2.5**	**Major shareholdings in Steenkolen Handels Vereniging, worldwide distributor of consumer goods; Noro Group, which manages investments for rich individuals and institutions; Akzo NV, chemicals.** The van Vlissingen wealth is based on the founding in 1896 of Vereniging, originally a coal cartel. Frederik controls the fortune.

BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
HENDRIK JAN VAN BEUNINGEN 67 Page 180	Cothen NETHERLANDS	**$2.4**	**Major interests in Robeco, one of the world's largest investment funds; Pakhoed (oil tankers); Smit International (tugboats).** Like the van Vlissingen fortune, the van Beuningen money comes from a former coal cartel. A widower, van Beuningen shares the wealth with a brother and sister. None of the three are active in management.
ANTON CASPAR DREESMANN 64 Page 180	Laren NETHERLANDS	**$2.4**	**Major shareholder, Vendex International, family-owned holding company for chains of Vroom & Dreesmann and other European department and clothing stores, a mail-order business.** An active manager (president of Vendex), he prefers the company of intellectuals. Honorary professor of economics at Amsterdam's municipal university.
SIR JOHN MOORES 91 Page 182	Formby ENGLAND	**$2.4**	**Owns Littlewoods, the largest private company in Britain, operator of Littlewoods Football Pools, 111 retail stores, six mail-order companies.** In 1923 Moores and two mates organized the football pools, in which, for a few pennies, contestants guess the outcome of football matches across Britain. Sir John soon bought out his partners, and 7.5 million people now play the pools each week during the football season. Retiring in 1982, he traded his Rolls for a Ford, saying, "I no longer need such a grand car."
LESLIE WEXNER 50 Page 142	Columbus OHIO	**$2.4**	**28% of the Limited (2,857 retail clothing stores for women, in several chains); real estate in New York City, Palm Beach, and Aspen, Colorado.** A bachelor, Wexner has many residences, including a mansion in a Columbus suburb, where he and his two dogs live near his mother, Bella.
AUGUST VON FINCK 57 **WILHELM VON FINCK** 59 Page 176	Munich WEST GERMANY Düsseldorf WEST GERMANY	**$2.2**	**Munich real estate; 9% of Munchner Rückversicherung, the world's largest reinsurance company; 6% of Allianz Insurance Corp., Germany's biggest; interests in banking, construction, and more.** Sons of an ardent Nazi who took over Rothschild Bank in Vienna, the von Fincks prospered buying Munich real estate after the war.
KEITH RUPERT MURDOCH 56 Page 156	New York NEW YORK	**$2.2**	**47% of News Corp., international media conglomerate that owns 17 daily newspapers, eight TV stations, Twentieth Century Fox Film, the Fox TV network.** Australian-reared Murdoch was once dismissed as an unimportant purveyor of racy tabloids. Now he is a U.S. citizen and an undismissable visionary engaged in a high-risk attempt to build a worldwide media empire. Married to Anna, a novelist; four children.
WARREN EDWARD BUFFETT 57 Page 144	Omaha NEBRASKA	**$2.0**	**45% of Berkshire Hathaway, the vehicle for large investments in Capital Cities/ABC, Geico, Washington Post, and others.** Since 1965 Buffett has boosted Berkshire Hathaway's book value per share from $19.46 to $3,900. Father of three, he plans to give most of his money to charities.
WILLIAM R. HEWLETT 74 Page 148	Portola Valley CALIFORNIA	**$2.0**	**12% of Hewlett-Packard; real estate, investments.** Graduate of Stanford and MIT, Hewlett is known as a quiet scientist and an engineer's engineer. Of H-P's thousands of products, his favorite is the hand-held scientific calculator, a first, which made the slide rule obsolete. Gave $50 million to Stanford in 1986. Being rich is not easy, he says. Two daughters, three sons.
LIEM SIOE LIONG 70 Page 162	Jakarta INDONESIA	**$2.0**	**24% of Bank Central Asia, Indonesia's largest private bank; controls First Pacific Group (owns Hibernia Bank in California); construction; insurance.** A Chinese emigrant, Liem supplied Indonesian forces with food and medicine during the struggle for independence from the Dutch. Has received lucrative government franchises ever since. Four children.
SHEIKH RASHID AL MAKTOUM 77 Page 167	DUBAI	**$2.0**	**Ruler of an oil-rich land; extensive foreign investments.** A business-minded ruler, known as the Fox, Maktoum closely supervised oil's transformation of his sheikhdom. Seldom seen since a stroke a few years ago. A widower, he has five daughters, four sons.
SULIMAN SALEH OLAYAN 68 Page 169	Riyadh SAUDI ARABIA	**$2.0**	**Controls Olayan Group, which manages a portfolio including 7% of First Chicago Corp., 5.3% of Transamerica, 5% of Occidental Petroleum, and 1% of Chase Manhattan, and some 25 companies in real estate, food importing, transportation, insurance, and construction.** Orphaned at 4, Olayan got his start in 1937 as a dispatcher for Aramco and then became a subcontractor on the Trans-Arabian pipeline. Married to an American, he has four children, three of whom help run the business.

BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
SULIMAN RAJHI 65 Plus three brothers—Page 169	Jiddah SAUDI ARABIA	**$2.0**	**42% of Al Rajhi Co. for Currency Exchange & Commerce, the largest money exchange firm in Saudi Arabia; 15% of a new Islamic bank that is to be capitalized at $200 million.** The family's net worth has decreased as real estate values in the Middle East have fallen with oil prices.
RAUL GARDINI 54 Plus family members—Page 172	Ravenna ITALY	**$1.9**	**Ferruzzi Group, Italy's No. 3 company, a producer of sugar, chemicals, and food; 39% of Montedison, a chemicals giant.** Gardini calls himself "a peasant in a suit." Son of a farmer, he married the boss's daughter and vastly increased the family's riches through aggressive management. A tireless worker, avid duck hunter, and yachtsman. Father of three.
MADELEINE DASSAULT 85 **SERGE DASSAULT** 62 **CLAUDE DASSAULT** Page 174	Paris FRANCE	**$1.8**	**49.7% of Avions Marcel Dassault-Breguet Aviation SA; other Dassault enterprises, including real estate, construction, film studios, publishing, finance, forestry, electrical engineering, and a Saint Emilion vineyard.** Madeleine is the widow of aviation tycoon Marcel Dassault. Born Bloch, Dassault spent eight months in the Buchenwald concentration camp; converted to Roman Catholicism in the 1950s. He died last year at 94, ruling his French empire to the end of his life. Son Serge now runs the family business. With brother Claude, he owns about half the family wealth.
LAURENCE ALAN TISCH 64 **PRESTON ROBERT TISCH** 61 Page 144	New York NEW YORK Washington D.C.	**$1.8**	**24% of Loews Corp.; through Loews, 25% of CBS, 100% of Loews Hotels, 80% of CNA Financial, 95% of Bulova; plus other investments.** The Tisch brothers began with modest, family-backed stakes in real estate. Larry is the grand strategist, a bridge player, student of the Talmud, father of four sons. Brother Bob, formerly the operating half of the Tisch team, became U.S. Postmaster General in 1986, has three children.
REINHARD MOHN 66 Page 176	Gutersloh WEST GERMANY	**$1.7**	**90% of Bertelsmann AG, among the world's largest media companies; U.S. properties include book publishers Bantam and Doubleday.** Mohn's maternal grandfather founded a publishing house that the Nazis closed in 1940. A U.S. prisoner of war, Mohn took over the family's remaining assets in 1947 and ran the company until 1981. Three daughters.
MARGARET HUNT HILL 72 **HAROLD "HASSIE" HUNT III** 70 Page 153	Dallas TEXAS	**$1.6**	**Large interests in Hunt Petroleum Corp., real estate (including Seven Falls resort in Colorado Springs), and investments, mostly conservative.** Margaret, the eldest child of H. L. Hunt, handles investments for brother Hassie, who years ago suffered what the family describes as a nervous breakdown. Married to oilman Al Hill, three children.
ESTEE LAUDER 79 Plus family—Page 144	New York NEW YORK	**$1.6**	**100% of Estée Lauder Inc. (estimated annual sales: $1.3 billion).** New York–born daughter of Hungarian-Czech immigrants, Lauder started by selling four face creams developed from an uncle's home recipe. Son Leonard, 54, is president and CEO; son Ronald, 43, is being succeeded as U.S. Ambassador to Austria by Henry Grunwald, former Time Inc. editor-in-chief.
SILVIO BERLUSCONI 50 Page 172	Milan ITALY	**$1.5**	**Italian and French cable TV systems; real estate.** Berlusconi paid his way through college singing in cabarets; made his first million in real estate, his billion by giving Italian TV viewers an exciting, tacky, U.S.-style alternative to the government-run station. Shares his 30-room palace near Milan with a world-renowned collection of Renaissance paintings; Miriam Bartolini, 32, a former actress; and their two daughters. Has two other children.
LILIANE BETTENCOURT 64 Page 174	Paris FRANCE	**$1.5**	**26% of L'Oréal, maker of hair colorings, Lancôme cosmetics, Anais Anais perfume; at least 3% of Nestlé (worth $513 million).** Liliane's father founded the beauty products company and invented the first chemical hair dye in 1907. Married to André Bettencourt, former Gaullist minister. Mme. Bettencourt's only child, Françoise, will inherit the L'Oréal and Swiss food company shares and a fine art collection.
JOHN T. DORRANCE JR. 68 Page 160	Philadelphia PENNSYLVANIA	**$1.5**	**32% of Campbell Soup Co., worth $1.3 billion and yielding $26.4 million a year in dividends; plus other investments.** Dorrance's father, the inventor of condensed soups, died in 1930, leaving a $128-million estate. Jack Dorrance joined Campbell after World War II and spent 38 years with the company. An outdoorsman (hunting and fishing) despite a triple-bypass operation five years ago. Two sons and a daughter. Lives with second wife and four stepchildren on a 40-acre estate.

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
WILLIAM R. HEARST JR. 79 **RANDOLPH A. HEARST** 71 Page 156	New York NEW YORK San Francisco CALIFORNIA	$1.5	**40% of Hearst Corp. (13 magazines, 15 newspapers, broadcasting, books).** William, older of the two surviving sons of press lord William Randolph Hearst, won a Pulitzer Prize for interviews with Soviet leaders. Now bears the title of editor-in-chief, writes a Sunday column. An avid horseman and head of the family trust. Randolph is chairman and the father of Patty, who was kidnapped by the so-called Symbionese Liberation Army.
MASATOSHI ITO 63 Plus wife, three children—Page 166	Tokyo JAPAN	$1.5	**Ito-Yokado Co., Japan's most profitable supermarket chain, Seven-Eleven Japan (3,100 stores), and Denny's Japan.** Ito started as owner of a small Tokyo clothing store he and his family ran after the war. A rigid disciplinarian, Ito sets rules for hair styles and even the height of heels his women employees are allowed to wear on the way to the job.
KONOSUKE MATSUSHITA 92 Page 166	Osaka JAPAN	$1.5	**Major share of the Matsushita Group of companies (1986 sales: $32 billion), world's largest maker of consumer electronic products.** Known in Japan as "the god of management," Matsushita started Matsushita Electric in 1918, making lamp sockets. His brands: Panasonic, Technics, Quasar, and National. Lives with his 91-year-old wife. They adopted son-in-law Masaharu Matsushita, who now runs the company.
SHEIKH ZAID AL NAHAYAN 71 Page 167	ABU DHABI	$1.5	**Oil; investments include U.S. Treasury bond futures and a 1,200-acre Champagne vineyard.** Nahayan seized power from his brother in 1966 to become Abu Dhabi's ruler. Also president of the United Arab Emirates. A Bedouin who grew up in poverty, he spent $40 million on the wedding of his eldest son, Mohammed. Has 19 sons, 22 daughters.
OSMAN AHMED OSMAN 69 Page 169	Cairo EGYPT	$1.5	**Arab Contractors Corp., builders of the Aswan High Dam; Middle East Land Reclamation Co.; Eicon (Engineering & Industrial Construction Co.); and Arab Contractors for Investment; founder of Suez Canal Bank and the National Development Bank of Egypt.** A close friend of and minister of construction for Anwar Sadat, Osman benefited from Sadat's Infitah (open door) policy, the 1974 return to Western-style capitalism. Son Mahmoud is married to Sadat's youngest daughter, Jihan.
JAY ARTHUR PRITZKER 65 **ROBERT ALAN PRITZKER** 61 Page 138	Chicago ILLINOIS	$1.5	**Major ownership of the Hyatt hotel chain; 100% of Marmon Group, a $2.9-billion-a-year conglomerate that makes mining machines and ladies' gloves; Braniff airlines; investments in chewing tobacco and casinos.** These descendants of a penniless Russian immigrant are still expanding their father's real estate empire. Robert, an engineer, runs Marmon Group, while attorney Jay oversees the rest and has been very active in Chicago civic affairs. Sibling relations are harmonious: The brothers were spotted recently sharing a single corned beef sandwich. Nine children.
DAVID ROCKEFELLER 72 **LAURANCE S. ROCKEFELLER** 77 Page 160	New York NEW YORK	$1.5	**Joint investments include $1.1 billion in a family trust, $350 million in stocks and bonds, real estate, and venture deals.** The riches derive from grandfather John D., who created the Standard Oil trust. David was chief executive of Chase Manhattan until 1981. He has six children, including David Jr., considered the likeliest leader among the 22 fourth-generation "cousins." Brother Laurance, who launched Rockresorts, has four children.
Y. C. WANG 70 Page 162	Taipei TAIWAN	$1.5	**Formosa Plastics Group (15 plants in the U.S.); real estate, including a mansion in Short Hills, New Jersey.** A former rice merchant whose formal education ended with elementary school, he founded a plastics manufacturing empire that has become the world's largest producer of polyvinyl chloride resin, a basic material for plastic. Says he has no hobbies because "I can't afford to relax." Two sons, seven daughters.
SHOJI UEHARA 59 Plus mother and son—Page 166	Tokyo JAPAN	$1.4	**33% of Taisho Pharmaceutical Co.; real estate.** Shoji Uehara's father managed Taisho, which the son has built into Japan's leading over-the-counter drug maker (1986 sales: $814 million). Leads a spartan life. His daily lunch menu: tea, consommé, and biscuits.
KING HASSAN II 58 Page 167	Rabat MOROCCO	$1.3	**Real estate (an estimated 80% of his wealth), including eight palaces in Morocco and properties in New York, New Jersey, and Paris.** The 39th descendant of Mohammed has been the ruler of Morocco since the death of his father, King Mohammed V, in 1961. Inherited the family fortune. He and his wife, Lala Latifa, have five children.

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
AUGUST ANHEUSER BUSCH JR. 88 Page 152	St. Louis MISSOURI	**$1.3**	**13.2% of Anheuser-Busch Cos. (1986 sales: $7.7 billion), which includes brewery, Campbell Taggart bakery, aluminum can manufacturer.** The third generation of Busches to run the nation's largest brewery, "Gussie" became a Democrat out of gratitude to Franklin D. Roosevelt for the repeal of Prohibition. Married four times. August III, the eldest of Gussie's 11 children, now heads a prospering Anheuser-Busch.
HENRY FORD II 70 **WILLIAM CLAY FORD** 62 **JOSEPHINE FORD** 64 Page 160	Detroit MICHIGAN	**$1.3**	**40% of Ford Motor (1986 sales: $62.7 billion).** Eldest grandson of founder Henry Ford, Henry II began the reconstruction of both Ford and downtown Detroit in 1943, ruled until 1980. Twice divorced and remarried, he has three children by his first wife. Bill, vice chairman of Ford Motor, is owner of the Detroit Lions football team and wife Martha Firestone have four children, including William Clay II, who works for Ford in Europe. Josephine ("Dodie") is active in charities, the arts. Married to Walter B. Ford, of an unrelated Detroit banking family, she have four children.
ALFRED HENRY HEINEKEN 63 Page 180	Noordwijk NETHERLANDS	**$1.3**	**50% of Heineken brewery.** Grandson of the founder, Freddy Heineken discovered the importance of advertising on a trip to the U.S. at 23. As chairman he still rules on all ad decisions. Entertains the likes of Queen Beatrix on his 90-foot yacht and at estates in the Netherlands, Switzerland, and France. He is married, has one daughter.
HARRY B. HELMSLEY 78 Page 138	New York NEW YORK	**$1.3**	**Real estate, including hotels and a stake in the Empire State Building.** Helmsley began at 16 as an office boy in a Manhattan real estate firm, earning $12 a week; now he owns the place. A master of real estate syndication, he assembled a fiefdom of hotels, office buildings, apartment houses, and industrial structures through syndication. In 1972, at 63, he married the controversial Leona; his second marriage. She is now president of the Helmsley hotel chain. They live in a duplex penthouse with swimming pool atop New York's Park Lane Hotel. No children.
EWING M. KAUFFMAN 71 Page 144	Kansas City MISSOURI	**$1.3**	**23% of Marion Laboratories (annual sales: $600 million); co-owner of Kansas City Royals baseball team; real estate and other investments.** A Missouri farm boy, Kauffman came out of the Navy after World War II and went into business selling an oyster-shell-based calcium supplement. Soon branched into other products, such as angina and ulcer drugs. His wife, Muriel, the company vice president, buys his clothes and "taught me how to live with money." Three daughters.
JOHN THOMAS LUPTON 61 Plus other family members—Page 152	Chattanooga TENNESSEE	**$1.3**	**Wealth derives from Coca-Cola bottling.** Lupton's grandfather and namesake was one of the three original Coca-Cola bottlers. Having made money in patent medicines, he invested a small sum in the new business and began bottling Coca-Cola in 1899. The latter-day John was CEO of the family's JTL Corp., largest independent Coke bottler, when Coca-Cola acquired it in 1986 for $1.2 billion in cash. One son, three daughters.
JOHN WILLARD MARRIOTT JR. 55 **RICHARD EDWIN MARRIOTT** 48 **ALICE SHEETS MARRIOTT** 79 Page 138	Bethesda MARYLAND	**$1.3**	**20% of Marriott Corp. (240 hotels, 680 restaurants, plus contract food services).** Descended from Mormon pioneers, the Marriott brothers built up the business mother Alice and their father started with a nine-stool A&W root beer stand in Washington, D.C. Chief executive since 1972, Bill Jr. expanded the hotel business, which produced 40% of the company's $5.3-billion sales last year. Dick is vice chairman. Assets include stock held in several trusts for the brothers' children.
LUCIANO BENETTON 52 **GILBERTO BENETTON** 46 **GIULIANA BENETTON** 50 **CARLO BENETTON** 43 Page 172	Treviso ITALY	**$1.2**	**Owners of Benetton, designers and manufacturers of casual clothes, sold worldwide in franchised stores.** What began with sister Giuliana's homemade sweaters has become a giant with a unique franchising system and a sophisticated high-tech design and distribution system, the world's leading consumer of wool. She has remained the creative Benetton. Luciano is the management genius, while Gilberto looks after the financial side and Carlo oversees production. Ten children among them.
DONALD BREN 55 Page 138	Newport Beach CALIFORNIA	**$1.2**	**92% of Irvine Ranch, with 65,200 largely undeveloped acres in Orange County, California.** Bren made his mark as developer of Mission Viejo, a planned community south of Los Angeles. Part of the investor group that took over the Irvine property in 1977, he has since bought out all but four partners. Twice divorced, he is a skier and pilot.

BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
SEBASTIAO FERRAZ DE CAMARGO PENTEADO 78 page 185	São Paulo BRAZIL	**$1.2**	**Dominant shareholdings in 25 companies in construction, mining, ranching, banking, and more.** The wealthiest Latin American is the orphaned son of a farmer. Camargo dropped out of school, labored on a road gang, then went on his own as a roadbuilding subcontractor. Moved up to railroads and dams. Terrifies subordinates, wears ready-made suits, and at 78 still appears fully in charge. Three daughters.
WILLIAM K. COORS 71 **JOSEPH COORS** 70 Page 152	Golden COLORADO	**$1.2**	**72% of Adolph Coors Co.** The brothers built a regional brewery, founded by their grandfather in 1873, into the fifth-largest U.S. brewery. Bill is chairman, while Joe, an ultraconservative, is vice chairman of the company. Two of Joe's sons now manage day-to-day operations.
MICHEL FRIBOURG 74 Page 160	New York NEW YORK	**$1.2**	**90% of Continental Grain.** Fifth-generation heir to a Belgian commodities firm, Fribourg expanded Continental's share of world grain trading to about 20%. The family fled Belgium before the Nazi occupation. Fribourg served with U.S. Army Intelligence. A remarried widower; five children.
WILLIAM H. GATES III 31 Page 148	Seattle WASHINGTON	**$1.2**	**40% of Microsoft.** Fidgety and awkward, this brainy Harvard dropout ranks among the most influential visionaries of the microcomputer revolution. Microsoft, the company he co-founded, has grown into the largest independent personal computer software company, ahead of Lotus Development. An eligible bachelor who drives too fast.
GORDON PETER GETTY 53 Page 153	San Francisco CALIFORNIA	**$1.2**	**Trusts, inheritance, investments.** The fourth son of billionaire J. Paul Getty and only family member at the bedside when he died, Gordon Getty sold the family's 40% stake in Getty Oil to Texaco in 1984 for $4 billion. Trying to stay aloof from the Pennzoil-Texaco imbroglio that followed, he prefers to be at his Yamaha piano composing operas. Lives with wife Ann and four sons in a six-story, 25-bedroom mansion overlooking San Francisco Bay.
GIOVANNI AGNELLI 66 Page 172	Turin ITALY	**$1.1**	**14% of automaker Fiat (1986 sales: $22 billion); insurance; department stores; publishing; concrete; and more.** Grandson of Fiat's founder, Agnelli has maintained the family fortune through uncertain political times. Brother Umberto, 52, is vice chairman of Fiat. One son, one daughter.
KARL ALBRECHT 67 **THEO ALBRECHT** 65 Page 176	Essen WEST GERMANY	**$1.1**	**ALDI discount stores in West Germany, Austria, Belgium, the Netherlands, and Denmark; Benner Tea Co., an Iowa-based U.S. company.** The Albrechts' mother started a small grocery store in Essen; her sons branched out. Both brothers are married, each with two sons in the business.
KATHARINE MEYER GRAHAM 70 **DONALD EDWARD GRAHAM** 42 Plus other family members—page 156	Washington D.C.	**$1.1**	**35% of Washington Post Co., which owns Newsweek and four TV stations as well as the paper that broke the Watergate story.** Kay Graham's father, investment banker Eugene Meyer, bought the bankrupt *Post* in 1933. She became CEO in 1963 after the suicide of her husband, Philip, and has won her peers' admiration. Son Don, a Harvard graduate, Vietnam veteran, and former Washington, D.C., policeman, joined the business in 1971. Now the *Post*'s publisher, he has four children.
MILTON PETRIE 85 Page 142	New York NEW YORK	**$1.1**	**Petrie Stores Corp.** Tightfisted at the office (the Secaucus headquarters are spartan) but extravagant at home (Jackie O's decorator did his Manhattan apartment), the Grand Old Man of rag-trade retailing started with a single hosiery store in Cleveland and has been reluctant to let go. His aristocratic fourth wife, Carroll (former Marquesa Carroll de Portago, whom he married in 1979), has a passion for decorating, lavish parties, and a poodle named Peaches who wears puppy perfume and pearls (his bulldog wears neither). His charitable gifts are often headline grabbers: cash to slashed model Marla Hanson and $10-million gifts to Beth Israel Hospital and Sloan-Kettering Memorial. One son, two daughters.
W. GALEN WESTON 46 **GARFIELD WESTON** 60 Page 183	Toronto ONTARIO London ENGLAND	**$1.1**	**59% of George Weston Ltd.: Loblaw supermarket chain (400 stores), National Tea Co., E.B. Eddy Forest Products, 100 other subsidiaries; Associated British Foods, which has 140 subsidiaries.** Grandsons of an Ontario baker who founded George Weston Ltd. 105 years ago, Galen and Gary split management duties. Galen runs North American operations but owns castles in Ireland, where he rides to hounds, and England, where he plays polo with royalty. Gary runs the Britain-based companies, "everything from hot dogs to popsicles." Galen has two children, Gary six.

BILLIONAIRES

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
WALTER H. ANNENBERG 79 Page 156	Wynnewood PENNSYLVANIA	**$1.0**	**Triangle Publications, owner of *TV Guide*, *Seventeen*, and the *Daily Racing Form*.** Magazine magnate, Reagan chum, and Ambassador to the Court of St. James's under President Nixon, Annenberg redeemed the family name and rebuilt its fortune after the conviction of his father, Moses, for tax evasion. Maintains a priceless collection of impressionist masterpieces at his 273-acre estate in Rancho Mirage, California.
PHILIP FREDERICK ANSCHUTZ 47 Page 153	Denver COLORADO	**$1.0**	**100% of Anschutz Corp. (investments in oil exploration, coal and uranium mining, real estate, railroad, and stocks).** Anschutz inherited a 75,000-acre Colorado ranch where oil was discovered in 1978. A cigar chomper and squash player, he hopes to build a $102-million convention center in downtown Denver. Collects Western art. Three children.
PRINCE SULTAN BIN ABDUL AZIZ 61 Page 169	Riyadh SAUDI ARABIA	**$1.0**	**Saudi Arabia's oil riches.** As minister of defense, Prince Sultan controls the largest single item in the Saudi budget: $150 billion in ten years. Oversees a vast patronage system. No count available on children.
MARVIN DAVIS 62 Page 153	Beverly Hills CALIFORNIA	**$1.0**	**100% of Davis Oil Co.; investments in entertainment and real estate.** Once Denver's "King of the Wildcatters," Davis sold Twentieth Century Fox to Rupert Murdoch. Owns the Beverly Hills Hotel and lives with his wife in a mansion he bought from country singer Kenny Rogers. Five children.
DONALD G. FISHER 59 Page 142	San Francisco CALIFORNIA	**$1.0**	**41% of the Gap Inc. (Gap, GapKids, and Banana Republic clothing stores).** Starting as a contractor and renovator, Fisher turned to retailing in 1969. His wife, Doris, and two sons are in the business, as are old friends from high school and Berkeley, where he was a water polo star.
ERNEST GALLO 78 **JULIO GALLO** 77 Page 152	Modesto CALIFORNIA	**$1.0**	**100% of E.&J. Gallo Winery (estimated 1986 revenues: $1 billion).** The Gallo brothers produce more wine than anyone else in the world: 25% of all consumed in the U.S. Skeptical of diversification, they make only wine, wine coolers, and brandies. Between them they have four children.
SIR JAMES GOLDSMITH 53 Page 182	London ENGLAND	**$1.0**	**$800 million in cash; two million acres of North American timberland.** Jimmy Goldsmith walked away from a raid on Goodyear last year $93 million richer. Physically impressive: 6 feet 3 inches. A two-family man, Goldsmith amicably divorced his French wife (two children) in 1978 to marry his English mistress (three children). Son of an English M.P., he was knighted in 1976 on the recommendation of Labor Prime Minister Harold Wilson.
RAY HUNT 44 Page 153	Fort Worth TEXAS	**$1.0**	**100% of Hunt Oil Co.; real estate; other investments.** Leader of H. L. Hunt's "second family," children of H. L. and Ruth Ray, and chairman of Hunt Oil. Has no significant business ties to the first family. Staying clear of his half-brothers' creditors seems to be his main occupation.
AHMED JUFFALI 58 Page 169	Riyadh SAUDI ARABIA	**$1.0**	**E.A. Juffali & Brothers, the largest private business in the Arabian Peninsula (600 contracting and industrial subsidiaries); 60% of the company's revenue comes from Daimler-Benz franchise.** Orphaned as a child, Juffali got his start by winning a contract in the 1940s on a project to electrify Arabian cities, eventually bringing the juice to Mecca.
LEE SENG WEE 57 Page 162	Singapore SINGAPORE	**$1.0**	**25% of Oversea-Chinese Banking Corp.; rubber and pineapple plantations in Malaysia; real estate in Singapore.** An MBA from the University of Western Ontario, Lee inherited his fortune from his father. "I suppose I enjoy a dull life," he says, and few people recognize him on the streets of Singapore. Has two brothers, two sons, and a daughter.
SAMUEL JAYSON LEFRAK 69 Page 138	New York NEW YORK	**$1.0**	**Real estate, including 89,800 apartments; Texas oil and gas ventures; an entertainment company that owns rights to music in the show *Cats*.** The biggest U.S. private residential landlord, LeFrak is a third-generation builder. A $10-billion LeFrak community is rising on the bank of the Hudson in Jersey City, New Jersey. Besides office space, he plans to put up some 10,000 apartments, a hotel, a 1,000-boat marina and a shopping mall.
SALVATORE LIGRESTI Page 172	Milan ITALY	**$1.0**	**Controls SAI, an insurance giant; 100% of a real estate project near Milan; 50% of a toll road between Turin and Milan; and more.** Sicilian-born, Ligresti is known as the Donald Trump of Milan—despite being known also as "master of the low profile." Keeps even his age secret.

NAME AGE		WEALTH ESTIMATED IN BILLIONS OF U.S. DOLLARS	SOURCES OF WEALTH AND BACKGROUND
SALIM A. BIN MAHFOUZ 80 Page 169	Mecca SAUDI ARABIA	**$1.0**	**52% of National Commercial Bank, Jiddah; 30% of BCCI Holdings of Luxembourg (banks and other financial institutions).** A foreign exchange dealer, Mahfouz got started on the road to wealth in 1954 by convincing King Abdul Aziz to let him set up the first Saudi-owned bank. NCB is now the biggest bank in Saudi Arabia.
ROGER MILLIKEN 71 **GERRISH MILLIKEN** 70 Page 160	Spartanburg SOUTH CAROLINA New York NEW YORK	**$1.0**	**Own Milliken & Co. (annual revenues: $2 billion).** The formerly reticent Roger Milliken, CEO of the textile maker, is now the driving force behind the buy-American "Crafted With Pride in the U.S.A." movement. Once a staunch free-trader, he is all for import restrictions today, especially against China. The brothers' grandfather started Milliken as a Maine-based dry-goods store, expanded into manufacturing. Roger lives with his wife in a modest brick house in Spartanburg, has five children. Gerrish, based in New York City, is general manager of the company.
Y. K. PAO 68 Page 162	HONG KONG	**$1.0**	**15% of Standard Chartered Bank in London, worth over $300 million; extensive shipping and real estate interests.** Pao built one of the world's largest independent tanker fleets, deftly shifted into real estate and banking before the shipping business collapsed in the early 1980s. Often makes strategic decisions during Sunday family dinners. Four daughters.
SIR JOHN SAINSBURY 59 **DAVID SAINSBURY** 46 Page 182	London ENGLAND	**$1.0**	**More than 50% of Sainsbury's, Britain's largest grocery store chain, with 271 stores (annual sales: $6.5 billion).** Sir John is chairman and CEO; cousin David is finance director. David helped bankroll the birth of a new, slightly left political party, the Social Democrats, in 1981. Oxford-educated Sir John, meanwhile, concerns himself with watching the shop. He personally tests all products sold under the Sainsbury brand name.
JOHN RICHARD SIMPLOT 78 Page 152	Boise IDAHO	**$1.0**	**100% of J.R. Simplot Co., world's largest potato grower and processor, as well as producer of chemicals, fertilizer, beef cattle, frozen fruits and vegetables.** An eighth-grade dropout, Jack Simplot grew up in a one-room log cabin on the banks of the Snake River. While still in his teens, earned enough raising pigs to start a potato-processing business, using newfangled electric potato sorter. A daredevil on the ski slopes and a fiercely competitive gin rummy player.
ABDUL AZIZ AL SULIMAN 48 Page 169	Jiddah SAUDI ARABIA	**$1.0**	**Jiddah's Bank Al Jazira; widely diversified investments, including Nissan's Saudi distributorship, Meridien Hotels, Caribbean cement plants, and ships.** Suliman is the son of Saudi Arabia's first finance minister, to whom the government granted a monopoly in cement in the 1940s. Married to a Lebanese; no number available on children.

WHAT LIES BEHIND THE NUMBERS

The estimates of net worth on this list are based on published information where available and appraisals of asset values where figures are not published. To qualify for inclusion on the list, a candidate must have a net worth—total assets after subtracting debt—of $1 billion or more. For those with holdings in publicly traded companies, the value of their shares was computed using the closing price on September 1. Currency conversions into U.S. dollars were based on September 1 exchange rates.

To determine the value of holdings in private companies, FORTUNE identified public companies that are similar, made reasonable adjustments for any dissimilarities, and calculated a market value for the private companies based on the going market value for their public counterparts. Where information is lacking for ownership of shares in private companies, we used estimates by persons knowledgeable about the companies and individuals involved.

The candidates had to be either individuals or a "nuclear" family composed of husband and wife, parent and child, siblings, or some combination of those relationships. We tried to exclude cousin and in-law relationships, although in some cases, such as those involving brothers and their children in a single business, the children are obviously cousins with a stake in a single fortune.

We are indebted to our correspondents around the world for their diligent pursuit of information about candidates. Among the sources outside the Time Inc. network were: Middle East—Michael Field, a London business consultant and author of *The Merchants*; France—*L'Expansion* magazine; Netherlands—Jos. R.M. van Hezewijk, CIOD databank, Uden.

The data-gathering and checking were supervised by FORTUNE associate editor Lorraine Carson, assisted by reporters Mark Alpert, Edward C. Baig, Jonas Bernard Blank, Rosalind Klein Berlin, Leslie Brody, Christopher Knowlton, Stephen J. Madden, Alicia Moore, and Charles Riley II.

BY JOHN PAUL NEWPORT JR.

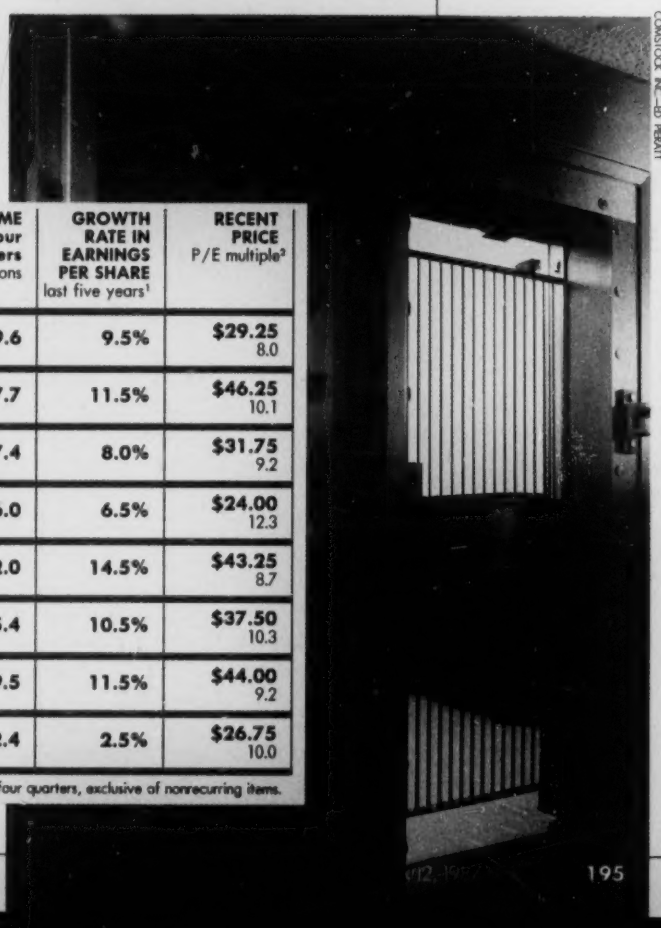
HIDDEN RICHES IN REGIONAL BANKS

Many are rock-solid, and their stocks are cheap. But investors may have to wait a bit for the payoff.

■ If one of the thrills of investing is finding a rare group of undervalued stocks, regional banks deserve cries of "Eureka!" For two years up to the spring of 1986, they outperformed the market handily. But since then the group has been as flat as an empty checking account, while Standard & Poor's 500-stock index has floated 35% higher. The result is what bank analyst George Salem of Prudential-Bache calls "a bargain-hunter's paradise."

The bargains may not be ignored much longer. Many analysts expect regional bank stocks to jump 20% to 30% in the next 18 months, even if the rest of the market stands still. But for now, investors' attitudes toward banks have chilled with the rise in interest rates, which can spark more loan defaults. Regional bank stocks, which have long moved up and down with all bank stocks, are also victims of scare headlines. Reports of defaulting Third World loans, punishing additions to loan loss reserves, and a record number of bank failures have tarred the regionals unfairly. The bad news mostly affects money center banks and smaller banks in the oil patch and farm areas. Says Thomas Hanley, a Salomon Brothers banking analyst: "In my experience, investors do not discriminate sufficiently between the money center banks and the regionals."

Some analysts believe the regionals may begin to fly as large institutional investors' current infatuation with big-name cyclical stocks subsides and they rummage elsewhere for value. A topping-out of interest rates could also remove a stigma from bank stocks. In either case, significant price appreciation will probably take six months or longer. That provides a perfect opportunity for the patient small investor willing to buy now while the big boys remain preoccupied with producing steady short-term gains to please pension funds and other clients. John Templeton of Templeton mutual fund fame, an ace at picking undervalued stocks, is accumulating regional bank shares now. Says he:



COMSTOCK INC.—ED PRATT

Eight That Appeal

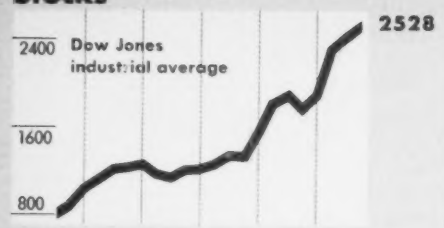
Most of these bank companies, none with significant bad-loan problems and nearly all growing at impressive rates, sell at price-earnings multiples only half the market's. They also pay above-average dividends.

COMPANY	ASSETS 6/30/87 in billions	NET INCOME latest four quarters in millions	GROWTH RATE IN EARNINGS PER SHARE last five years[1]	RECENT PRICE P/E multiple[2]
First Bank System	$28.4	$59.6	9.5%	$29.25 8.0
PNC Financial	$28.2	$227.7	11.5%	$46.25 10.1
Bank of New England	$27.0	$177.4	8.0%	$31.75 9.2
SunTrust Banks	$25.6	$256.0	6.5%	$24.00 12.3
Midlantic	$16.8	$142.0	14.5%	$43.25 8.7
Sovran Financial	$16.4	$155.4	10.5%	$37.50 10.3
MNC Financial	$15.0	$129.5	11.5%	$44.00 9.2
U.S. Bancorp	$9.0	$82.4	2.5%	$26.75 10.0

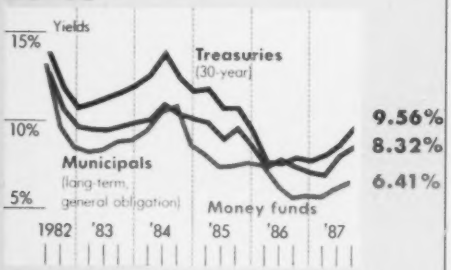
[1]SOURCE: VALUE LINE [2]Multiple based on earnings for the latest four quarters, exclusive of nonrecurring items.

STATE OF THE MARKETS

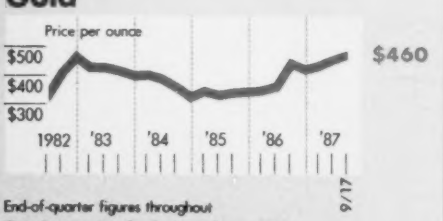
Stocks



Bonds



Gold



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End-of-quarter figures throughout
¹Based on earnings for the latest four quarters.

SOURCES: SALOMON BROTHERS, BOND BUYER, DONOGHUE'S MONEY FUND REPORT, COMMODITY EXCHANGE

"We believe that these stocks will sell again at their normal values."

One of the largest and most successful companies is **PNC Financial Corp.**, which runs major banks in Pittsburgh, Philadelphia, and Louisville and recently agreed to acquire Central Bancorp. of Cincinnati. It epitomizes the new breed of so-called super-regionals formed by mergers across state lines. Some investors, like John Neff of the Vanguard mutual fund group, worry that the frenzy for expansion into interstate banking is leading many banks to shortchange shareholders. The banks acquire at a premium price, usually by issuing new shares. This can temporarily dilute profits and slow earnings-per-share growth. "The super-regionals are super-diluters," Neff contends. But PNC, like most of the others in the table, has managed to expand without seriously diluting earnings. Salem of Prudential-Bache believes the stock could surge from $47 lately to $70 next year.

Many super-regionals excel because they operate in super regions. The management at **SunTrust Banks**, which recently passed North Carolina's NCNB Corp. to become the largest bank holding company in the booming Southeast, appears to have called off further acquisitions for now and is focusing instead on profitability. With population growing and businesses prospering on the company's turf in Georgia, Florida, and Tennessee, SunTrust's loan business is flourishing.

After two years of rapid acquisitions in four New England states, Boston-based **Bank of New England** seems ready to settle down and enjoy its premier franchise in perhaps the best banking market in the U.S. The company makes four-fifths of its loans in its own backyard, which has the country's highest per-capita income and lowest unemployment rate. Analyst Dennis Shea of Morgan Stanley expects investors to earn a 25% to 30% total return by the end of 1988.

Another regional pick, **First Bank System**, serves six states from its base in Minneapolis-St. Paul. It has more outstanding loans to Third World countries than most regional banks—3% of its portfolio—but in the second quarter it increased reserves (taking a big earnings hit) to cover fully half of those loans. Thomas K. Brown, bank analyst at Smith Barney, likes First Bank System because management "runs the company like a business, not like a bank. It works for the shareholders."

Hanley of Salomon Brothers recommends four smaller banks that he thinks could grow into super-regionals. His favorite is Oregon's **U.S. Bancorp**. A resurgent local economy, a management reorganization, and three bank acquisitions in Washington State have dramatically improved the company's outlook in the past year, Hanley says. **Midlantic**, created in January by the merger of bank holding companies in Edison, New Jersey, and Philadelphia, benefits from booming business in the areas it serves. Hanley says that, with loans way up, loan losses waning, and control of expenses tightening, Midlantic's earnings per share should grow 12% annually over the next five years.

The other two emerging super-regionals that Hanley likes serve the affluent Washington, D.C., area. **MNC Financial** owns Maryland National Bank, which has a strong consumer operation, and Washington's American Security Bank, which specializes in making loans to medium-size companies. A $2-billion credit card business and other nonbank activities should help earnings growth. **Sovran Financial**, in Norfolk, Virginia, recently agreed to acquire fast-growing, conservatively run Commerce Union Corp. ($4.2 billion in assets) of central Tennessee. Sovran's loan portfolio is one of the soundest in the country.

TWA Without the Wings and Woes

■ Wall Street seems to have lost track of **TW Services Inc.** That's understandable but a pity. The New York company shed Trans World Airlines in 1984 and became known as Transworld Corp. Last December, threatened with a takeover by Revlon Chairman Ronald Perelman, it sold off the Hilton International hotel chain and rechristened itself TW Services Inc.

When the genealogy gets that complicated, the analysts tend to lose interest. As a result, TW Services' recent price of $20 on the New York Stock Exchange may not reflect the promise the $3.4-billion-a-year company is showing in the fast-growing restaurant and food-catering businesses. Alan Snyder, head of Snyder Capital Management of San Francisco, says Wall Street hasn't caught on to TW's potential. "I'm excited," he says. James J. Murren of New York's Cyrus J. Lawrence Inc., one of the few analysts who does follow the company, agrees with Snyder that earnings per share will go up from an estimated $1.20 this year to $1.60 in 1988. Both Snyder and Murren put the breakup value of TW Services at $31 or more.